

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
Public Health Service
Health Services Administration
Indian Health Service
Rockville, Maryland

INDIAN HEALTH SERVICE CIRCULAR No. 77-1

IHS GUIDELINES FOR GRANTING
QUALITY INCREASES AND CASH AWARDS

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1. PURPOSE. To provide policy guidance and procedural instructions for granting Quality Increases and Cash Awards.

2. REFERENCES.

FPM Chapter 451.

HEW Manual Chapter 531-5.

Chapter II, Guide 2, HEW Personnel Guides for Supervisors -
Performance Requirement&.

Chapter V, Guide 4, HEW Personnel Guides for Supervisors -
Performance Evaluation.

3. POLICY. Make positive use of the authority to grant increases and cash awards for sustained high quality and superior performance, and for special acts and services in accordance with regulations prescribed by the Civil Service Commission.

Provide safeguards for reasonable consistency and fairness. Avoid granting increases where performance is not clearly of a high quality substantially above that ordinarily found in the type of position concerned.

4. RESPONSIBILITIES.

A. Recommendations for Quality Increases and Cash Awards will normally be made by the immediate supervisor who has knowledge of the employee's work accomplishments. In some cases, however, particularly in Cash Awards for special acts or services, the recommendation may be initiated by an official who has knowledge of the special act or service.

- B. The Area or Program Personnel Officer, and Administrative Officer,, Headquarters, providing guidance, etc., is responsible for reviewing, coordinating and processing all recommendations, as well as maintaining appropriate controls and submission of program reports. .
- c. The Headquarters Incentive Awards Committee and the Area or Program Incentive Awards Committees will review recommendations to assure reasonable consistency with established policies and fairness of consideration. The Committees recommend action that may be taken by the Approving Officer. The approval or rejection of Quality Increases and Cash Awards has been delegated by the Director, IHS to the Deputy Director and Area and Program Directors.
- D. FPM Chapter 451, Incentive Awards, updated 5/21/76, suggests the following certification by recommending officials of quality increases:

(Name of Nominee's position description and the performance standards for the position were thoroughly reviewed prior to the submission of this recommendation. I certify that the employee's performance of all of the important job elements substantially exceeds normal requirements, that the remainder of the performance exceeds normal requirements, and that such performance in this position shows promise of continuing at this high level performance in the future. Therefore, I recommend (Name) for a quality increase.

Recommending Official Date
and Title

5. CRITERIA FOR QUALITY INCREASES.

- A. Performance of the most important functions of the job at a level that substantially exceeds normal requirements so that overall work performance is highly effective.
- B. The employee's high degree of effectiveness has been sustained to the extent that it may be considered characteristic of his performance. The period of active service during which high quality performance should be sustained will vary. Normally, the minimum period should be longer for higher grade levels which require as normal a more complex level of performance than for those composed primarily of routine tasks with short work schedules. Generally high quality performance should have been observed for at least six months at the current grade, whatever the position.

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The high quality performance gives promise of continuing (i.e., has not been on, a special assignment of work situation but is of such a nature as well as duration that, on the basis of past experience, it may be expected to continue.

6. PROCEDURES. Quality Increases may be recommended at any time the employee meets the high quality performance criteria outlined above, However, no more than one QI may be granted to any one employee within any 52 week period. A second quality increase should not be granted for identical, or substantially the same level of performance in the same position as applied in granting the prior increase. If, however, the performance on which it was based was and has continued to be so superior that the prior increase was inadequate recognition, a second quality increase may be recommended but must be adequately justified.

The supervisor has a continuing responsibility for assuring the effective utilization of his 'employees. As a part of this responsibility, he must establish realistic and unbiased job performance requirements and be aware Of their level of performance at all times. To identify and evaluate high quality performance, it is necessary to compare actual performance again& the normal performance requirements of the position. Guidance in establishing performance requirements are provided in Exhibit X531-5-1 (HEW) and Chapter II, Guide 2, HEW Personnel Guides for Supervisors. (Should be available in every office).

Be brief and factual in your recommendation. Preparation of the narrative statement does not and should not require special writing expertise, lengthy narrative or extensive and elaborate paperwork.

- A. List only the major position functions. Do not cite the entire position -description, however a copy should be attached to the narrative. Itemizing each of the major functions may help you to develop more explicit and realistic performance requirements for each task listed as well as trimming down unnecessary verbage in your narrative justification in item "C". (Form HEW-581).
- B. Describe only the Normal Position requirements for each of the major duties listed in item "A". Do not show only special skills and qualifications needed to accomplish the task;- - "must be an expert..." "must possess expertise...", "must have broad knowledge of...", or "must be able to interpret policies, etc...", but do show when deadlines are met and how well, how much is expected, result expected, etc.

- c. Explain as concisely as possible how the employee's performance' of the MAJOR duties of the position described in item "A" substantially exceeded the normal performance requirements. Avoid vague and general statements, such as: "...has continuously demonstrated the highest quality of performance, foresightedness and initiative...". These attributes do not in themselves provide an adequate basis for determining high quality performance unless it can be explained how the employee has applied them in specific work accomplishments.
- D. Supervisors- should not expect an employee to perform his normal tasks in a superior manner, as often is implied in recommendations, such as: "must possess expertise" or "must be an expert." Setting such standards appear too high and restrictive to be reasonable. It is highly unreasonable to expect an expert to exceed the superior performance expected of him and much more difficult, to evaluate his performance fairly for a Quality Increase. However, if such a standard has been mutually agreed to by both the supervisor and the employee and the employee has consistently exceeded these performance requirements, he/she should be considered for an appropriate dash award or be nominated instead for an honor award. Such contributions signify a level of achievement so exceptional that it is certainly deserving of recognition through the Incentive Awards system. The Area Personnel Officer or Administrative Officer, IHS will provide assistance on how to proceed;

7. CASH AWARDS.

- A. Intangible Benefits. In some cases where conditions for a quality increase have been met, special circumstances may make recognition by incentive award more appropriate, for example:
- (1) When an employee would receive the increased salary rate for only a short time because of imminent retirement.
 - (2) Where an employee is at the top of his/her grade.
 - (3) For an employee whose contribution is so great that a cash award is more suitable. (Form HEW-171).
 - (4) Cash Awards given for employee job performance that exceeds normal requirements and is sustained over a significant period of time may be in accord with the following **scale:**

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<u>General Schedule Grade</u>	<u>Average Range</u>
1 - 4	\$100 - 150
5 - 8	150 - 200
9 - 11	200 - 250
12 - 13	250 - 300
14 - 18	300 - 350

- B. Tangible Benefits. An employee may be granted a cash award for a contribution that exceeds job requirements and that results in tangible benefits. The amount of the award is based on the estimated net money benefit for the first year the contribution is used.

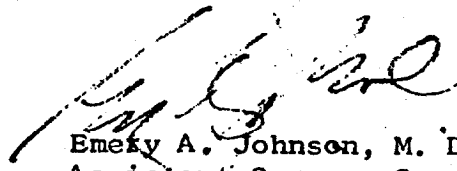
<u>Tangible Benefits</u>	<u>Amount of Award</u>
\$250 - \$1,000	Minimum award in accord with agency plan, plus \$5 for each additional \$50 of tangible benefits, or fraction thereof, above the minimum benefits required by agency plan.
\$1,001 - \$10,000	\$550 for the first \$10,000 in benefits plus \$5 for each additional \$200 or fraction thereof.
\$20,001 - \$100,000	\$800 for the first \$20,000 in benefits plus \$5 for each additional \$1,000 or fraction thereof.
\$100,000 or more	\$1,200 for the first \$100,000 in benefits plus \$5 for each additional \$5,000 or fraction thereof.

- c. Cash Awards will be the appropriate recognition in situations where quality increases are inapplicable. Examples are:
- , (1) For a high quality performance in special work situations of limited duration.
 - (2) For recognition of group achievement.
 - (3) Where employees are not subject to the Classification Act, (Wage Board employees).

Performance-that does not meet all the criteria for a QI but does significantly exceed job requirements in one or more important functions of his position.

For special act or service of a non-recurring nature, e.g., exemplary or courageous handling of an emergency situation in the public interest.

tained superior performance during a given period will not eive simultaneous recognition by a Quality Increase and a h Award. In unusual circumstances, however, an employee receive both a QI and a Cash Award for a special act or vice or unusually valuable contribution made during the e period, such as: Original development of a product or or improvement in methods, procedures, principles benefiting Program, the public and/or the Government on a very broad National level.



Emery A. Johnson, M. D.
Assistant Surgeon General
Director, Indian Health Service